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FM AMEMBASSY VIENNA  
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UNCLAS VIENNA 000320

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DEPT FOR EUR/AGS, INR/EU, AND EUR/PPD FOR YVETTE SAINT-ANDRE

OSD FOR COMMANDER CHAFFEE

WHITEHOUSE FOR NSC/WEUROPE

E.O. 12958: N/A  
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SUBJECT: AUSTRIAN MEDIA HIGHLIGHTS: March 06, 2008

Terrorism Trial Continues In Vienna

¶1. The trial of two people on charges connected with terrorism threats will continue at a Vienna court today. Prosecutors are planning to show a video clip which one of the defendants, Mohamed M., allegedly took part in producing. The video was released on the internet last March and threatened attacks against Austria and Germany unless the two countries withdrew their troops from Afghanistan. Austrian media comment that the trial is "uncharted territory" for the prosecution, pointing out that this is the first time in criminal proceedings in Austria that virtually all the evidence is located on the internet, or that the question has arisen of whether a defendant wearing a burqa is admissible in court.

Ministers Call For Rent Freeze and Lower Prices for Medications

¶2. The Justice and Healthcare Ministers are calling for a freeze on rents and lower prices for medications as a means of dealing with the effects of continued high inflation on Austrians with low and medium incomes. SPOe Justice Minister Maria Berger has called for an end to automatic annual adjustment of rents for housing based on past inflation rates. At the same time, OeVP Healthcare Minister Andrea Kdolsky has threatened to introduce legislation providing for lower prices for medications, if the pharmaceutical industry fails to agree on price reductions with the social insurance providers by next week. Semi-official daily Wiener Zeitung online writes about the Justice and Healthcare Ministers' call for a freeze on rents and lower prices for medications as responses to the effects of continued high inflation on Austrians with low and medium incomes. Currently, rents are raised each April by the amount of inflation in the previous December, which would mean an increase of 3.6 percent this April. Justice Minister Maria Berger (SPOe) wants to extend the periods between rent increases and is planning to introduce legislation to that effect. She is also going to establish a working group on the issue that will come up with a draft bill by late summer or early autumn. At the same time, OeVP Healthcare Minister Andrea Kdolsky wants to introduce legislation providing for lower prices for medications. However, she has rejected SPOe Social Affairs Minister Erwin Buchinger's suggestion to use the proceeds of a capital-gains tax to help finance the national healthcare system. The Minister has also dismissed SPOe Chancellor Alfred Gusenbauer's proposal to link tax and healthcare reforms. Kdolsky has set up an experts group to tackle the long-term financial security of Austria's national healthcare system, which also includes representatives from the World Bank and Price Waterhouse Coopers.

## Austrians Would Prefer Burgstaller and Proell as Heads of Party Lists

13. Austrians don't want SPOe Chancellor Alfred Gusenbauer and OeVP Vice-Chancellor Wilhelm Molterer to head their parties' respective lists in the next general election. Instead, they would prefer Salzburg SPOe Governor Gabi Burgstaller and Lower Austrian OeVP Governor Erwin Proell. A survey by polling institute OGM commissioned by Austrian television has shown that 34 percent of SPOe voters would opt for Burgstaller, while in the OeVP's case 30 percent support Proell, according to ORF TV's domestic policy program Report.

## "Clinton Is the Comeback Kid"

14. ... said US political analyst Jerry Hagstrom in a digital video conference hosted and organized by PAS-Vienna for a select group of Austrian foreign affairs journalists Wednesday. Democratic presidential hopeful Hillary Clinton's victory in Tuesday's primaries in Texas and Ohio "may appear as a signal to many voters to reconsider their enthusiasm for Barack Obama," Hagstrom said, voicing his doubt that the Illinois Senator can be certain to continue his string of victories now. The Clintons, Hagstrom emphasized, are "serious politicians," who are known for having successfully "bounced back" before in seemingly hopeless situations. Several Austrian media report on a digital video conference with US political analyst Jerry Hagstrom, which was hosted and organized by PAS-Vienna for a select group of Austrian media representatives Wednesday. Austrian Press Agency APA runs the headline "US political expert on Clinton victory: voters reconsider Obama support." For many people in the US, Clinton's success in the Ohio and Texas primaries may have been a signal to for voters to "prepare to put the brakes on" the all-encompassing enthusiasm for Barack Obama, Hagstrom suggested. Unlike many other analysts, he does not think Bill Clinton's support for Hillary is a setback: No-one had any doubts whatsoever that the Clintons are "very serious politicians." Besides, Hagstrom added, it would be a mistake to dismiss either the former US President's appeal with regard to African American voters or the lasting impact of the Clinton years in voters' memories. For now, Hillary Clinton's strategy to stress Barack Obama's lack of experience, particularly with regard to national security issues, has paid off.

Sourcing APA, ORF online news also reports on the DVC, quoting Hagstrom as being increasingly certain Clinton might yet win the Democratic presidential nomination. In the meantime many Democrats are concerned the drawn-out competition between their party's two leading candidates will benefit the Republicans in the end, no matter whether it is Clinton or Obama running for the presidency. The Democratic nightmare, according to Hagstrom: the longer the Clinton-Obama rivalry continues, the greater the tension within the Democratic Party, which would only play into the hands of their political rivals.

Semi-official daily Wiener Zeitung quotes the expert as suggesting Hillary Clinton may owe her latest victories to the support of Latino voters. The questions of race and religion are decisive factors in the race for the White House in any case. Thus, like Clinton with the Latinos, Barack Obama can bank on the support and solidarity of African American voters.

Mass-circulation daily Kurier says Hagstrom does not want to write off Clinton's at this point, and quotes the expert as stressing Barack Obama would need a considerable lead in the polls to win the November elections. Despite what they might say in public, many US voters are likely to decide against an African American presidential candidate. Besides, Obama is not undisputed among African American voters, either. The fact that his father is from Kenya, and thus not a descendant of slaves brought to the US, is an important factor, the analyst pointed out. He also stressed that Obama appealed primarily to upper-middle-class and college-educated people. Besides, unlike in previous primaries and caucuses, he had failed to win over voters from traditional Clinton supporting groups, such as Latinos or blue collar workers. Furthermore, many of the states where the Senator from Illinois won the primaries are considered Republican strongholds anyway.

Liberal daily Der Standard, too, picked up Hagstrom's line about US voters now being "prepared to put the brakes on their enthusiasm for Obama." The daily quotes the experts as suggesting "in the end it may fall to the super delegates to determine the outcome of race for the White House" between Hillary Clinton and Barack Obama. Still, Tuesday's victories had undoubtedly given Clinton a "great deal of momentum." For the first time, "voters are saying, maybe we should think twice" about Obama, Hagstrom stressed. He also explained the Iraq War may be one of the reasons why Clinton can bank on the support of the Latino voters much more than Obama: Many Latinos are soldiers in Iraq, and they and their families "want someone in the White House who supports the troops." Unlike Clinton, however, Obama had opposed the US-led war in Iraq from the beginning.

#### President Bush Endorses McCain

15. US President George W. Bush has endorsed John McCain's bid to win the White House for the Republican Party. President Bush described McCain as a "friend," and said he would be a "president with the determination to defeat an enemy." McCain said he had "admiration, respect and affection" for George Bush, who beat him in the Republican primaries in 2000. Meanwhile, all Austrian media continue to report on Democratic presidential hopeful Hillary Clinton's comeback in the Texas and Ohio primaries. In a commentary entitled "Showdown in the Wild West," one Austrian daily says her "survival plan paid off," successfully "averting her political dreams' premature end," says liberal daily Der Standard.

#### Deterioration of Situation in Gaza

16. Human rights groups and aid agencies have warned of a "dramatic deterioration" of the humanitarian situation in the Gaza Strip, which is "worse now than at any time since the Israeli occupation of 1967." The organizations, including Amnesty International, Save the Children and Care International, have described Israel's blockade of Gaza as "illegal collective punishment." The people in Gaza have

been "stripped of their dignity," which is why "hope has given way to despair," an aid agency representative told Austrian radio. Liberal daily Der Standard publishes an interview with Taghreed El-Khodary- journalist for the New York Times - on the situation in the Gaza Strip. Despite its serious losses, Hamas will emerge stronger from its fighting with the Israeli army, because the radical organization had always profited from crises, El-Khodary suggests. The people in Gaza are "unbelievably angry with Israel. They feel they are living under an occupying regime. Many feel that Israel has refused to give Hamas a chance. Then there are others who are furious both with Israel and Hamas, because they know both sides are playing their games: With its attacks, Hamas is trying to force Israel to accept a cease-fire; it wants Israel to come around and open the borders of the Gaza Strip; but Israel has refused to do so." Many people in the Gaza Strip, the journalist points out, support Hamas, because they feel the organization is much closer to them and their daily concerns than President Mahmoud Abbas. Despite Israel's withdrawal of its troops from Gaza, El-Khodary believes "it is not over yet. Israel has pulled out, but you can still hear the F-16 above Gaza. They will launch more air strikes. The use of ground forces was merely a message for Hamas; it was Israel saying they can return any time to occupy the Gaza Strip." Hamas, meanwhile, "wants a cease-fire with Israel, but not one negotiated from a position of weakness."

#### Tensions between Venezuela and Colombia

17. Venezuela says it has moved thousands of troops towards its border with Colombia. Venezuela ordered the mobilization after Colombia conducted a raid into Ecuador to attack FARC rebels. In addition, Venezuela's President Hugo Chavez has threatened his country may impose sanctions on Colombia in response to its attack on FARC rebels in Ecuador. Meanwhile, the Organization of American States has ruled that Colombia violated Ecuador's sovereignty, but has stopped short of a formal condemnation, and Ecuador has also mobilized troops, according to ORF TV's prime time news Zeit im Bild I on Wednesday.

